
OLR Bill Analysis

sSB 900

AN ACT CONCERNING REVISIONS TO THE STATE CODES OF ETHICS.

SUMMARY:

This bill makes several changes to the State Codes of Ethics for Public Officials and Lobbyists. It expands the codes' exemption for gifts to the state to include goods or services that support participation by a public official or a state employee at an event that furthers a state or quasi-public agency function.

With respect to the Citizen's Ethics Advisory Board (CEAB), the bill (1) expands the board's administration and enforcement of the code, (2) reconfigures board members' terms of office, and (3) allows people who sought or held positions as justices of the peace and notaries public to serve on the board.

The bill also requires that a public official or state employee act with specific intent before he or she may be found to violate the Code of Ethics for counseling, authorizing, or otherwise sanctioning actions that the code prohibits. It expands the grounds for contractor disqualification by the State Contracting Standards Board (SCSB) and makes contractors, consultants, and certain other people liable for damages if they violate the law on unethical bidding or contracting practices to advance their own financial interests.

Lastly, the bill (1) revises certain financial and Office of State Ethics (OSE) reporting requirements, (2) exempts OSE attorneys from paying court fees when acting in their official capacity, and (3) makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2013; except that provisions relating to CEAB member terms, counseling or sanctioning a violation of the code, and certain technical changes are effective upon passage.

§§ 1, 14 — GIFTS TO THE STATE

The bill expands the State Codes of Ethics' exemption for gifts to the state to include goods or services that support participation by a public official or state employee at an event that facilitates a state or quasi-public agency's action or function. The law allows a state or quasi-public agency to accept goods or services (1) for use on agency property or that support an event and (2) that facilitate agency actions or functions. By law, lobbyists and people seeking to or doing business with the state generally cannot give gifts to public officials and state employees.

CITIZEN'S ETHICS ADVISORY BOARD

§§ 2, 3 — *Terms and Composition*

By law, the board and OSE staff are responsible for enforcing the codes, including advising those subject to it. The bill staggers the nine board members' terms of office in a way that prevents more than three terms from expiring in a single year.

By law, each board member is appointed to one four-year term. Under current law, once every four years, four members' terms expire. Under the bill, two members appointed to terms that began on October 1, 2009 will each serve one five-year term, and subsequent appointments to those positions are for four years. The result of this reconfiguring is that, in any four-year period, the board will have three years with two vacancies to fill and one year with three vacancies to fill (see Table 1).

Table 1: CEAB Member Term Expiration Dates

<i>Term Expiration Date</i>	<i>Number of Terms Expiring</i>	
	<i>Current Law</i>	<i>The Bill</i>
September 30, 2013	4	2
September 30, 2014	0	2
September 30, 2015	3	3
September 30, 2016	2	2

The bill allows people who sought or held positions as justices of the peace and notaries public to serve on the board. By law, board members and OSE employees may not (1) hold or campaign for public

office or have held or campaigned for public office in the three years prior to appointment, (2) hold office in a political party or committee, or (3) be a registered lobbyist or member of a lobbying organization.

§§ 6, 16 — CEAB Authority

The bill authorizes CEAB to administer and enforce all parts of the code by giving it explicit authority to issue advisory opinions on miscellaneous lobbyist provisions (Part III of the code) and ethical considerations concerning bidding and state contracts (Part IV of the code).

§ 11 — ETHICS CODE VIOLATIONS

Specific Intent Required

The bill requires an intentional act before a public official or state employee may be found in violation of the Code of Ethics for counseling, authorizing, or otherwise sanctioning actions that the code prohibits. By law, people who intentionally violate the code are guilty of a class A misdemeanor, punishable by up to one year in prison, a fine of up to \$2,000, or both, for a first violation (or a class D felony if the violator derived a financial benefit of at least \$1,000 from the violation) and a class D felony for subsequent violations. A class D felony is punishable by up to five years in prison, a fine of up to \$5,000, or both.

STATE CONTRACTORS AND CONSULTANTS

§ 13 — *Penalties for Violations*

The bill makes state contractors and potential state contractors liable to the state for damages if they:

1. solicit undisclosed information for their competitive advantage;
2. intentionally or recklessly charge the state or a quasi-public agency for unperformed work or undelivered goods;
3. intentionally try to circumvent competitive bidding or ethics laws;
4. intentionally provide, or get others to provide, goods or services

in order to unduly influence the award of a state contract; or

5. when serving as a consultant on a contract, act as a consultant for anyone bidding on that contract.

Under the bill, damages equal the amount of the financial advantage. Additionally, the bill requires OSE to immediately inform the attorney general of the violation.

The bill subjects state consultants and independent contractors to the same penalty if they benefit financially from (1) abusing their contractual authority, (2) accepting another state contract that impairs their judgment on the first contract, or (3) accepting anything of value on the understanding that a person acting on the state's behalf would be influenced. Lastly, it subjects to the same penalty anyone who gives anything of value to a state consultant or independent contractor with the understanding that the consultant or contractor, acting on behalf of the state, would be influenced.

§ 24 — Contractor Disqualification

The bill authorizes the SCSB to disqualify a contractor who is deemed a nonresponsible bidder (a contractor or potential contractor who commits the acts listed under § 13 above) under the Code of Ethics. By law, SCSB can disqualify a contractor, that it finds seriously or compellingly irresponsible, from bidding on, applying for, or participating as a contractor or subcontractor on a state contract for up to five years.

OTHER PROVISIONS

§§ 6, 8, 25 — Reporting Requirements

The bill (1) requires OSE to submit its annual activity report to the governor two months earlier, by February 15 rather than April 15 each year; (2) allows public officials and employees who must file a statement of financial interests to do so on the first business day after May 1 if May 1 falls on a weekend or legal holiday; and (3) requires the Public Utilities Regulatory Authority directors to file a statement of financial interests with OSE, by May 1, instead of a financial disclosure

statement with the secretary of the state by July 30.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable

Yea 14 Nay 0 (03/27/2013)